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## **FINET GROUP LIMITED**

### **財華社集團有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8317)**

## **RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE**

References are made to the prospectus (the “**Prospectus**”) of Finet Group Limited (the “**Company**”) dated 28 June 2023 and the announcement (the “**Announcement**”) of the Company dated 13 July 2023 in relation to, among other matters, the Rights Issue. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

### **THE RIGHTS ISSUE, THE PLACING AGREEMENT AND THE UNDERWRITING AGREEMENT BECOMING UNCONDITIONAL**

The Board is pleased to announce that as all the conditions with respect to the Rights Issue, the Placing Agreement and the Underwriting Agreement had been fulfilled and the Placing Agreement and the Underwriting Agreement were not terminated by the Placing Agent and the Underwriter respectively, the Rights Issue became unconditional on Tuesday, 18 July 2023.

### **RESULTS OF THE RIGHTS ISSUE**

As disclosed in the Announcement, as at 4:00 p.m. on Wednesday, 12 July 2023, being the Latest Time for Acceptance, a total of 12 valid applications had been received in respect of a total of 284,805,015 Rights Shares (including 195,798,839 Rights Shares subscribed by Maxx Capital pursuant to the Maxx Undertaking and 21,729,029 Rights Shares subscribed by Ms. Lo pursuant to the Lo’s Undertaking), representing approximately 85.46% of the total number of Rights Shares under the Rights Issue.

Accordingly, the Rights Issue was under-subscribed by 48,464,372 Rights Shares, representing approximately 14.54% of the total number of the Rights Shares under the Rights Issue.

As at the Record Date, there were two Non-Qualifying Shareholders and the number of Rights Shares which would otherwise have been allotted to them was 990,597 Rights Shares.

## **RESULTS OF THE UNSUBSCRIBED ARRANGEMENTS**

As disclosed in the Announcement, 48,464,372 Unsubscribed Shares, representing approximately 14.54% of the total number of Rights Shares under the Rights Issue, were subject to the Unsubscribed Arrangements.

The Board is pleased to announce that as at 4:00 p.m. on Monday, 17 July 2023, being the latest time of the placing of the Unsubscribed Shares by the Placing Agent under the Placing Agreement (the “**Placing**”), 41,520,000 Unsubscribed Shares, representing approximately 4.15% of the issued Shares immediately upon completion of the Rights Issue, had been successfully placed to not less than six independent places at the placing price of HK\$0.10 per Unsubscribed Share, which is equivalent to the Subscription Price. Therefore, there is no Net Gain available to be distributed to the No Action Shareholders under the Unsubscribed Arrangements.

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, (i) each of the places and where appropriate, their respective ultimate beneficial owners, is independent of and not connected with the Company and its connected persons and not a connected person of the Company; and (ii) none of the places has become a substantial Shareholder (as defined under the GEM Listing Rules) upon completion of the Placing.

## **THE UNDERWRITING AGREEMENT AND SET-OFF OF THE SHAREHOLDER’S LOAN**

As a result of the under-subscription of the Rights Shares and the Placing, a total of 6,944,372 Untaken Rights Shares, representing approximately 2.08% of the total number of Rights Shares under the Rights Issue, were subject to the underwriting arrangement and the Underwriter took up all the 6,944,372 Untaken Rights Shares in accordance with the terms of the Underwriting Agreement. Based on the 6,944,372 Underwritten Shares taken up by Maxx Capital as the Underwriter, together with the 195,798,839 Rights Shares and the 21,729,029 Rights Shares provisionally allotted to, and subscribed by Maxx Capital and Ms. Lo respectively, the aggregate number of Shares held by Maxx Capital and Ms. Lo are 659,527,976 Shares, representing approximately 65.97% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue.

Pursuant to the Underwriting Agreement (as amended and supplemented by the Supplemental Underwriting Agreement), (i) the 92,578,947 Rights Shares to which Maxx Capital is entitled under the Rights Issue in respect of the 185,157,894 Shares which are registered in the Registrar under Maxx Capital’s own name; and (ii) the Underwritten Shares will be settled by way of firstly the Set-Off against the Shareholder’s Loan and after Set-Off of the Shareholder’s Loan in full, by cash.

After the Rights Shares Set-Off of approximately HK\$9.3 million, the Underwritten Shares Set-Off of approximately HK\$0.7 million and the repayment of the Shareholder's Loan of approximately HK\$12.5 million after the completion of the Rights Issue, approximately HK\$1.7 million of the Shareholder's Loan would remain outstanding. The Shareholder's Loan will be extended on an unsecured and interest-free basis for a term of 12 months and will mature on 31 March 2024.

## USE OF PROCEEDS

The gross proceeds raised from the Rights Issue (including the Placing and the underwriting arrangement) before the Set-Off were approximately HK\$33.3 million and the net proceeds from the Rights Issue (after deducting the expenses of approximately HK\$0.8 million, and after the Rights Shares Set-Off of approximately HK\$9.3 million and the Underwritten Shares Set-Off of approximately HK\$0.7 million) were approximately HK\$22.5 million. As disclosed in the Prospectus, the Company intends to apply the net proceeds from the Rights Issue as to (i) approximately HK\$12.5 million for the repayment of the Shareholder's Loan; (ii) approximately HK\$9.0 million for the expansion of the IR Business in Hong Kong and the PRC; and (iii) the remaining balance of approximately HK\$1.0 million for the general working capital of the Group.

## EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the shareholding structure of the Company immediately before and after the completion (the "Completion") of the Rights Issue is set out below:

Shareholders	Immediately before the Completion		Immediately after the Completion	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
<b>Controlling Shareholder</b>				
Maxx Capital ( <i>Note 1</i> )	391,597,678	58.75	594,340,889	59.45
<b>Executive Director</b>				
Ms. Lo	43,458,058	6.52	65,187,087	6.52
<b>Public Shareholders</b>				
Independent placees ( <i>Note 2</i> )	—	—	41,520,000	4.15
Other public Shareholders	<u>231,483,038</u>	<u>34.73</u>	<u>298,760,185</u>	<u>29.88</u>
<b>Total</b>	<b><u>666,538,774</u></b>	<b><u>100.00</u></b>	<b><u>999,808,161</u></b>	<b><u>100.00</u></b>

*Notes:*

1. Maxx Capital is an investment holding company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Pablos International, which is in turn wholly and beneficially owned by Ms. Lo, being the chairlady of the Board, an executive Director and a controlling Shareholder.
2. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the placees and where appropriate, their respective ultimate beneficial owner(s), is an Independent Third Party; and (ii) none of the placees has become a substantial Shareholder (as defined under the GEM Listing Rules) upon completion of the Placing.
3. Certain percentage figures included in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

### **DESPATCH OF SHARE CERTIFICATES**

It is expected that the share certificates for the fully-paid Rights Shares will be despatched to those entitled thereto by ordinary post to their respective registered address at their own risk on or before Friday, 21 July 2023.

### **COMMENCEMENT OF DEALINGS IN THE RIGHTS SHARES**

Dealings in the fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Monday, 24 July 2023.

By order of the Board  
**FINET GROUP LIMITED**  
**Lo Yuk Yee**  
*Chairman and Executive Director*

Hong Kong, 20 July 2023

*As at the date of this announcement, the executive Directors are Ms. Lo Yuk Yee and Ms. Chen Weijie; and the independent non-executive Directors are Mr. Wong Wai Kin, Mr. Wong Kwok Yin and Mr. Chu Ka Chung.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at [www.finet.hk](http://www.finet.hk).*